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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

BOB STUMP- CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER-SMITH

IN THE MATTER OF THE APPLICATION OF
DOUBLE DIAMOND UTILITIES, INC. FOR A
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER SERVICE
AND WASTEWATER SERVICE

Docket No. WS-20543A-07-0435

**MOTION FOR EXTENSION OF
COMPLIANCE DATES**

Double Diamond Utilities, Inc. ("DDU"), through undersigned counsel, hereby moves for the extension of three compliance dates initially set forth in Decision No. 70352 (May 16, 2008). This request arises from the continuing downturn in the economy, particularly in the housing and development markets in Mohave County, that continue to cause delay in the timetable for the development covered by DDU's CC&N. Other compliance requirements have already been extended to December 31, 2014 in Decision No. 73134 (May 1, 2012).¹

The three compliance items that require extension of the current compliance date are: (i) filing of the Approval to Construct for the water system for Phase 1 of the initial phase of the Ranch at White Hills project; (ii) filing of the General Permits for Phase 1 of the initial phase of the wastewater plant for the Ranch at White Hills and (iii) filing of the Aquifer Protection Permit for the wastewater division. The current compliance date for these items is December 31, 2012, which was set in Decision No. 72008 (December 10, 2010).

DDU requests that the deadline for filing these compliance items be extended from December 31, 2012 to December 31, 2014.

¹ A copy of the letter from the developer related to the request for extension is attached as Exhibit A.

1 **A. Background**

2 In Decision No. 70352, DDU received a CC&N to provide water and wastewater service to
3 the initial phase of The Ranch at White Hills ("White Hills"), a large master planned community
4 located between Kingman and Las Vegas. As set forth in the Decision, DDU is a developer-
5 owned utility that will ultimately serve the entire White Hills development. The initial phase of
6 constitutes approximately 10% of the overall development.

7 The Decision set forth numerous compliance requirements that were due at various times
8 DDU has met several of those compliance requirements, including filing its rate tariff, its
9 curtailment tariff, its backflow prevention tariff and its Water Conservation Plan.

10 As the Commission is well aware, the real estate markets in Arizona, particularly new
11 housing developments outside the large metropolitan areas, have continued to suffer since the
12 economy experienced its precipitous downturn. The White Hills development had already been
13 delayed due to delays in the construction of the Hoover Dam bypass bridge. Although the
14 Mardians, the developer of White Hills, still intend to proceed with White Hills, common sense
15 and good judgment dictate that the timeline for the development be pushed back.

16 **B. Extension of the December 31, 2012 Compliance Dates.**

17 The three compliance items at issue require extensive and expensive engineering design to
18 prepare proposed system designs to ADEQ for approval of the necessary permits to begin
19 construction. Given the economic downturn and the delayed development of the Ranch at White
20 Hills, DDU does not believe it is prudent to incur such expenses at this time. Moreover, the
21 overall plan of the development may be modified to meet the new demands of the recovering
22 markets and the emerging renewable energy development in the vicinity of the Ranch at White
23 Hills. Any such changes could affect the location of large backbone plant, water production and
24 wastewater treatment facilities. Premature engineering would result in increased and unnecessary
25 costs.

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Development will come to this area; however, given the economy, it will take time. Therefore, DDU requests additional time to meet the compliance requirements related to the engineering of the substantial backbone plant for the initial phase of the development.

WHEREFORE, DDU requests that compliance dates for the following three compliance items in Decision No. 70352 be extended until December 31, 2014:

1. Filing of the Approval to Construct for the water system for Phase 1 of the initial phase of the Ranch at White Hills project;
2. Filing of the General Permits for Phase 1 of the initial phase of the wastewater plant for the Ranch at White Hills; and
3. Filing of the Aquifer Protection Permit for the wastewater division.

RESPECTFULLY submitted this 7th day of January 2013.

ROSHKA DEWULF & PATTEN, PLC

By



Michael W. Patten
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Attorney for Double Diamond Utilities, Inc.

Original and 13 copies of the foregoing filed this 7th day of January, 2013, with:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered/mailed this 7th day of January, 2013 to:

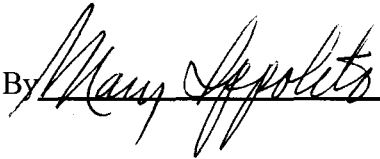
Yvette Kinsey
Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

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By 

EXHIBIT

"A"

THE RANCH AT WHITE HILLS

December 20, 2011

Arizona Corporate Commission
Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

RE; Double Diamond Utilities - WS20543A-07-0435

Continuing Request for Service by The Ranch at White Hills

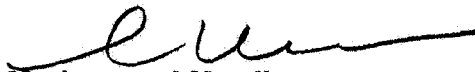
To Whom it may concern,

I am the developer of the Ranch at White Hills and I am forwarding this letter to confirm my support of Double Diamond Utilities' extension request, and to assure the Commission and Staff that we have every intention of pursuing the development of the Ranch at White Hills. The economic market impacts of the past several years have created a delay in our project development. However, we continue to need the future utility service that will be provided by Double Diamond.

I appreciate your consideration and approval of Double Diamond Utilities' minor extension request. Should you have any questions or comments to this request, please contact Kathy Tackett-Hicks.

Thank you for your consideration.

Sincerely,



Mr. Leonard Mardian
The Ranch at White Hills

4132 So. Rainbow Blvd., PMB #324, Las Vegas, NV 89103
702-499-1372